

2012 Vermillion County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Vermillion County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Vermillion County the average tax bill for all taxpayers increased 5.8%. This tax bill rise was the result of a 2.5% increase in the total levy of all local government units and a 2.0% increase in certified net assessed value. Agricultural and business assessments increased, but other assessed values declined, which may have been a legacy of the recession. Tax caps as a percentage of levies fell by 1.6%, despite somewhat higher tax rates, because of decreased homestead and other residential assessments.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	5.8%	\$15,634,937	\$785,458,666	4.2%
Change		2.5%	2.0%	-1.6%
2011	0.4%	\$15,249,286	\$770,397,091	5.8%

Homestead Property Taxes

Homestead property taxes decreased 1.8% on average in Vermillion County in 2012. Tax rates in almost all Vermillion County tax districts increased by small amounts. The county average tax rate rose by 0.6%. The drop in tax bills was due to a fall in homestead assessed values. The percentage of Vermillion County homesteads at their tax caps fell slightly from 7.2% in 2011 to 6.7% in 2012. Vermillion County had no local property tax credits.

Net Tax Bill Changes - All Property Types

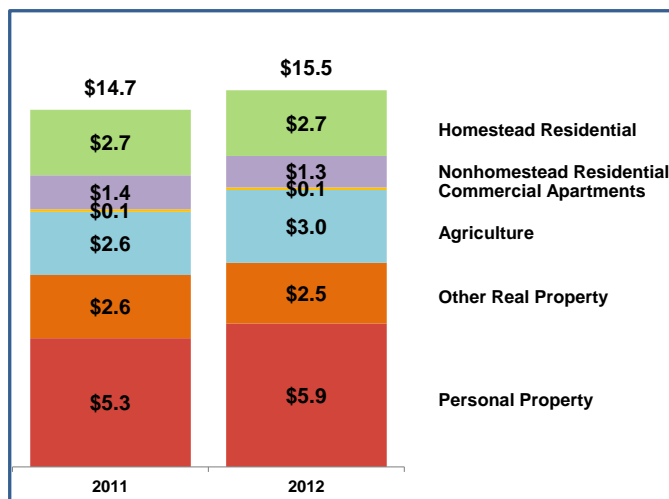
Most of Vermillion County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal). Net tax bills for all taxpayers increased 5.8% in Vermillion County in 2012. Net taxes were especially higher for agricultural and business personal property, and especially lower for commercial apartments. Tax bills were also lower for nonhomestead residential (mostly small rentals and second homes) and other real property.

Comparable Homestead Property Tax Changes in Vermillion County

	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	2,244	45.9%
No Change	247	5.0%
Lower Tax Bill	2,403	49.1%
Average Change in Tax Bill	-1.8%	
Detailed Change in Tax Bill		
20% or More	149	3.0%
10% to 19%	224	4.6%
1% to 9%	1,871	38.2%
0%	247	5.0%
-1% to -9%	1,495	30.5%
-10% to -19%	275	5.6%
-20% or More	633	12.9%
Total	4,894	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in all but one of Vermillion County tax districts. The average tax rate rose slightly, by 0.6%, because a levy increase was not quite offset by a smaller increase in net assessed value.

Levies in Vermillion County increased by 2.5%. The largest levy increase was in North Vermillion Community School Corporation, which had increases in its debt service and transportation funds. The Vermillion County Public Library had a large reduction in its debt service fund.

Vermillion County's total net assessed value increased 3.4% in 2012. Agricultural net assessments rose 12.2%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Business net assessments also increased, but homestead and other residential assessments fell. This decline may be a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$396,709,790	\$384,906,300	-3.0%	\$138,879,672	\$125,590,648	-9.6%
Other Residential	66,166,300	62,521,680	-5.5%	65,282,203	61,663,353	-5.5%
Ag Business/Land	150,668,800	169,541,000	12.5%	150,394,972	168,742,348	12.2%
Business Real/Personal	499,101,710	502,482,580	0.7%	429,621,815	454,709,689	5.8%
Total	\$1,112,646,600	\$1,119,451,560	0.6%	\$784,178,662	\$810,706,038	3.4%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Vermillion County were \$673,471, or 4.2% of the levy. This was less than the state average percentage of the levy of 9.2%, but close to the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Vermillion County's tax rates were near the state median.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category. The largest percentage losses were in the city of Clinton and the Clinton Library District, where the district tax rate was above \$3 per \$100 assessed value. The largest dollar losses were in the South Vermillion School Corporation, the county unit, and the city of Clinton.

Tax cap credits decreased in Vermillion County in 2012 by \$221,917, or 24.8%. The percentage of the levy lost to credits fell by 1.6%. There were no major changes in state policy to affect tax cap credits in 2012. Vermillion County credits decreased mainly because of decreases in homestead and other residential assessments.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$105,896	\$97,323	-\$8,572	-8.1%
2%	656,937	426,532	-230,405	-35.1%
3%	101,503	141,386	39,884	39.3%
Elderly	31,053	8,230	-22,823	-73.5%
Total	\$895,388	\$673,471	-\$221,917	-24.8%
% of Levy	5.8%	4.2%		-1.6%

Vermillion County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	21,799,168	15,087,193	15,173,321	15,249,286	15,634,937	-30.8%	0.6%	0.5%	2.5%
State Unit	19,643	0	0	0	0	-100.0%			
Vermillion County	6,264,342	5,789,070	5,979,106	6,133,902	6,341,794	-7.6%	3.3%	2.6%	3.4%
Clinton Township	224,459	210,999	217,986	223,489	222,475	-6.0%	3.3%	2.5%	-0.5%
Eugene Township	87,995	95,290	98,463	100,350	103,807	8.3%	3.3%	1.9%	3.4%
Helt Township	231,217	240,513	240,113	251,379	259,228	4.0%	-0.2%	4.7%	3.1%
Highland Township	56,274	59,039	60,979	62,458	64,065	4.9%	3.3%	2.4%	2.6%
Vermillion Township	47,762	67,869	70,385	70,636	74,531	42.1%	3.7%	0.4%	5.5%
Clinton Civil City	865,996	764,693	844,595	887,258	813,710	-11.7%	10.4%	5.1%	-8.3%
Cayuga Civil Town	176,872	183,211	190,154	196,249	197,254	3.6%	3.8%	3.2%	0.5%
Dana Civil Town	73,418	77,868	80,827	83,937	83,928	6.1%	3.8%	3.8%	0.0%
Fairview Park Civil Town	84,549	80,685	85,453	88,046	90,392	-4.6%	5.9%	3.0%	2.7%
Newport Civil Town	26,433	24,884	27,095	27,750	28,519	-5.9%	8.9%	2.4%	2.8%
Perrysville Civil Town	30,079	30,301	31,724	32,621	31,667	0.7%	4.7%	2.8%	-2.9%
Universal Civil Town	6,685	7,487	6,967	7,570	7,807	12.0%	-6.9%	8.7%	3.1%
North Vermillion Community School Corp	4,748,637	1,698,374	2,025,917	1,696,637	2,181,622	-64.2%	19.3%	-16.3%	28.6%
South Vermillion Community School Corp	7,965,460	4,836,583	4,364,938	4,370,391	4,410,720	-39.3%	-9.8%	0.1%	0.9%
Clinton Public Library	491,882	508,955	510,388	552,431	462,769	3.5%	0.3%	8.2%	-16.2%
Vermillion County Public Library	397,465	411,372	338,231	464,182	260,649	3.5%	-17.8%	37.2%	-43.8%
Vermillion County Solid Waste Management	0	0	0	0	0				

Vermillion County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				LOIT Homestead	LOIT Residential	Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead			
83001	Clinton Township	2.2996	--	--	--	--	--	--	--	2.2996
83002	Clinton Civil City	3.4030	--	--	--	--	--	--	--	3.4030
83003	Fairview Park Civil Town	2.6159	--	--	--	--	--	--	--	2.6159
83004	Universal Civil Town	2.4706	--	--	--	--	--	--	--	2.4706
83005	Eugene Township	1.4871	--	--	--	--	--	--	--	1.4871
83006	Cayuga Civil Town	2.6832	--	--	--	--	--	--	--	2.6832
83007	Helt Township	2.0288	--	--	--	--	--	--	--	2.0288
83008	Dana Civil Town	2.9348	--	--	--	--	--	--	--	2.9348
83009	Highland Township	1.5213	--	--	--	--	--	--	--	1.5213
83010	Perrysville Civil Town	2.1589	--	--	--	--	--	--	--	2.1589
83011	Vermillion Township	1.5370	--	--	--	--	--	--	--	1.5370
83012	Newport Civil Town	2.1892	--	--	--	--	--	--	--	2.1892

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Vermillion County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	97,323	426,146	139,515	8,230	671,213	15,634,937	4.3%
<i>TIF Total</i>	0	386	1,872	0	2,258	227,967	1.0%
<i>County Total</i>	97,323	426,532	141,386	8,230	673,471	15,862,904	4.2%
Vermillion County	28,821	117,287	33,101	2,934	182,143	6,341,794	2.9%
Clinton Township	4,163	12,832	3,452	102	20,550	222,475	9.2%
Eugene Township	22	175	0	30	227	103,807	0.2%
Helt Township	210	1,298	0	40	1,548	259,228	0.6%
Highland Township	0	20	0	51	71	64,065	0.1%
Vermillion Township	0	67	0	56	123	74,531	0.2%
Clinton Civil City	14,848	89,407	48,681	359	153,294	813,710	18.8%
Cayuga Civil Town	1,024	8,222	0	1,105	10,351	197,254	5.2%
Dana Civil Town	709	5,470	0	173	6,352	83,928	7.6%
Fairview Park Civil Town	1,318	6,206	0	164	7,688	90,392	8.5%
Newport Civil Town	0	571	0	31	602	28,519	2.1%
Perrysville Civil Town	0	486	0	12	498	31,667	1.6%
Universal Civil Town	4	581	0	0	585	7,807	7.5%
North Vermillion Community School Corp	493	4,866	0	1,307	6,665	2,181,622	0.3%
South Vermillion Community School Corp	37,154	146,002	43,699	1,501	228,356	4,410,720	5.2%
Clinton Public Library	8,427	31,688	10,581	249	50,946	462,769	11.0%
Vermillion County Public Library	131	967	0	115	1,213	260,649	0.5%
Vermillion County Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Clinton Industrial Park/EDA/AD	0	386	1,793	0	2,180	101,366	2.2%
TIF - Clinton TIF Expansion One	0	0	78	0	78	2,542	3.1%
TIF - White Constr. EDA/Adv	0	0	0	0	0	124,059	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.